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Supreme Court, U.S.
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No. 00-500

IN THE

Supreme Court of the United States

ARTHUR S. KOENIG and MDI LABS, INC.,

Petitioners,

v.

FUGRO-McCLELLAND (SOUTHWEST), INC. and PHILIP KING,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

REPLY BRIEF

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STATEMENT PURSUANT TO RULE 29.6

With respect to Petitioner MDI Labs, Inc., there is no parent corporation or any publicly held company that owns ten percent or more of the Petitioner's stock.

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Petitioners, Arthur S. Koenig and MDI Labs, Inc. (collectively referred to as "Koenig"), request that the Court grant the Petition for Writ of Certiorari in this case. This Reply Brief is addressed to points raised in Respondents' Brief in Opposition.

ARGUMENT

It is clear that the public needs guidance in how to read patents to achieve the proper "notice effect" for which they are intended. This Court's recent decision in *Markman* so emphasized. *See Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 116 S. Ct. 1384, 134 L. Ed. 2d 577 (1996). In the present case, the Federal Circuit read special definitions of words from the file history — normally unknown to the patent reader — into the patent document itself. Petitioner seeks a rule that "special definitions" must be included in the patent specification itself, otherwise the normal meaning of words control. Such a rule brings certainty and uniformity where it does not now exist.

I. Respondents Fail to Address the Important Question Presented by Petitioners

Advocacy by ignoring the question presented in the Petition permeates Respondents' Opposition Brief. Respondents characterize the pertinent question as "whether the prosecution history of a patent may be used to construe a claim limitation." Brief in Opposition at 2. About this issue of law there is no dispute. It is "well settled that an invention is construed not only in light of the claims, but also with reference to the file wrapper or prosecution history in the Patent Office." *Graham v. John Deere Co.*, 383 U.S. 1, 33, 86 S. Ct. 684, 702 (1966). This is not the relevant question before the Court, however.

Petitioners do not contend that the Court should ignore the prosecution history in construing patent claims. Rather, Petitioners submit that the patentee who chooses to be his own lexicographer must alert the public to his "special definition" in the patent specification. Simply put, the issue presented is not whether the prosecution history plays a role in claim construction — which it does — but whether any special definition given to a word must be clearly defined in the specification.

Respondents' reliance upon legal authorities is misplaced. The case law from this Court upon which Respondents rely does not address the question of whether a special definition can be provided solely in the prosecution history. For example, in *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 61 S. Ct. 235 (1940), the patentee did not set forth a special definition in the prosecution history, but merely cancelled certain claims in view of the prior art. The Court properly held that the cancellation of claims resulted in a disclaimer of claim scope. *Id.* at 220, 61 S. Ct. at 239. This is nothing more than an application of doctrine of prosecution history estoppel. *Id.* It provides no guidance, however, as to whether a patentee who chooses to be a lexicographer can bury a special definition in the file history. Nor do any of the other authorities upon which Respondents rely. *See, e.g., Weber Elec. Co. v. E.H. Freeman Elec. Co.*, 256 U.S. 668, 676-78, 41 S. Ct. 600, 603 (1921) (recognizing that the patentee had narrowed his property right by amending the claims to recite a "specific structure"); *Keystone Driller Co. v. Northwest Eng'g. Corp.*, 294 U.S. 42, 47-49, 55 S. Ct. 262, 264-65 (1935) (construing the property grant based upon claims cancelled with new ones submitted with additional limitations); *I.T.S. Rubber Co. v. Essex Rubber Co.*, 272 U.S. 429, 443-44, 47 S. Ct. 136, 141 (1926)

(construing claims based upon limitations imposed by the inventor introduced after rejection of the application). Such cases merely stand for the well-established principle that a patent applicant, compelled to narrow his claim by the addition of a new limitation, cannot thereafter broaden his claim by dropping such limitation. *I.T.S. Rubber*, 272 U.S. at 443, 47 S. Ct. at 141. But in none of the cases did the patentee set forth a "special definition" for a claim term at odds with the conventional definition.

In the present case, the Patent Examiner did *not* require Petitioner Koenig to amend his claims before issuing the patent. And yet, the Federal Circuit ascribed a special definition to the term "positively engaging" based solely on remarks in the file history. The cases cited by Respondents are therefore inapposite and provide no guidance whatsoever in deciding this and other cases sure to follow.

II. The Conflict in the Law Requires an Exercise of the Court's Supervisory Power

Respondents' argument that there is no conflict in the case law because the courts have consistently relied on a patent's prosecution history to construe claims misses the point. Of course, the prosecution history plays an important role in construing claims. The relevant inquiry, however, is whether a patentee who chooses to be his own lexicographer must include his special definition in the patent document itself.

The Court need look no further than a handful of panel decisions from the Federal Circuit to see that the conflict is real. While some panels have clearly held that any special definition of a claim term that departs from its ordinary meaning must be clearly set forth *in the patent specification*,

e.g., Multiform Desiccants, Inc. v. Medzam, Ltd., 133 F.3d 1473, 1477 (Fed. Cir. 1999) (recognizing that "a special meaning . . . must be sufficiently clear *in the specification* that any departure from common usage would be so understood by a person of experience in the field of the invention") and *Gentex Corp. v. Donnelly Corp.*, 69 F.3d 527, 530 (Fed. Cir. 1995) (emphasizing that "[w]ords in claims are to be given their ordinary meaning in the absence of indication *in the patent* to the contrary"), other panels have shown no reluctance to stray from the ordinary meaning based upon statements made only in the prosecution history, *e.g., K-2 v. Saloman S.A.*, 191 F.3d 1356, 1363 (Fed. Cir. 1999) (noting that "a different meaning clearly and deliberately set forth in the intrinsic materials — the written description *or the prosecution history* — will control"); *Transmatic, Inc. v. Gulton Indust., Inc.*, 53 F.3d 1270, 1277 (Fed. Cir. 1995) (remarking that "claim terms are given their ordinary and accustomed meaning unless examination of the . . . prosecution history . . . indicate[s] otherwise").

It was for the sake of uniformity that Congress created the Federal Circuit as an exclusive appellate court for patent cases. H.R. Rep. No. 97-312, p. 20 (1991). The Federal Circuit's treatment of its own precedent in this matter threatens the very uniformity of patent law that Congress sought to foster by creating the circuit.

That the Federal Circuit has been riddled with conflict in recent years is no justification.[1] Although this Court has

1. The judiciary has freely acknowledged that conflicts exist in the Federal Circuit's patent law, causing difficulty to both the patent bar and its clients. *See* The Honorable Arthur J. Gajarsa, Conflict of the Federal Circuit, addressed to the San Diego

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viewed it as "primarily the task of a court of appeals to reconcile its internal difficulties," *Wisniewski v. United States*, 353 U.S. 901, 902, 77 S. Ct. 633, 1 L. Ed. 2d 658 (1957), the Federal Circuit has shown no willingness to do so. As evidenced by this case among others, decisions from the Federal Circuit have departed so far from the principles of *stare decisis* as to require an exercise of this Court's supervisory power.[2] Without it the Federal Circuit will continue to whittle away at the ordinary meaning of patent claim language, rendering the property right a hollow one.

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Intellectual Property Law Association (January 14, 1999), to the Orange County Patent Law Association (January 15, 1999) and to Los Angeles Intellectual Property Law Association (January 16, 1999). *See also* William C. Rooklidge & Matthew F. Weil, Judicial Hyperactivity: The Federal Circuit's Discomfort With Its Appellate Role, 15 Berkeley Tech. L.J. 725 (2000); William C. Rooklidge & Matthew F. Weil, En Banc Review, Horror Pleni; and the Resolution of Patent Law Conflicts, 40 Santa Clara L. Rev. 787 (2000).

2. Principles of *stare decisis* as applied to patent claim interpretation are of critical importance in the wake of *Markman*. When the "established rules" of claim construction are applied differently by different panels of the Federal Circuit, uncertainty results — the very uncertainty that *Markman* sought to avoid by confiding the duty of claim construction to a court rather than to a jury with a corresponding danger of inconsistency and error. *See Markman v. Westview Instruments, Inc.*, 517 U.S. 370, 390, 116 S. Ct. 1384, 1396, 134 L. Ed. 2d 577 (1996) (recognizing that "uniformity in the treatment of a given patent" is "an independent reason to allocate all issues of construction to the court").

III. Respondents Refuse to Acknowledge that the Claim Construction Changed Throughout the Litigation, Denying Petitioners the Normal Protections Afforded a Nonmovant in Summary Judgment Procedures

Respondents baldly assert that "[t]he magistrate judge, the district court, and the appellate court adopted the claim construction that Respondents have advanced consistently since 1994." Respondents' Brief in Opposition at 9. The record is clear on this point, however. As illustrated below, the meaning of "positively engaging" changed at every turn.

> • ***Respondents' Interpretation***
> "The term 'positive engagement' means that the anchoring device is locked up against the wall of the core hole through the concrete slab and resists movement in both the up and the down direction." Respondents' Brief in Support of Motion For Summary Judgment on Patent Issues, p. 5.
>
> • ***District Court's Interpretation***
> "Positive engagement" requires "both prevention of up and down movement and lock-up with the wall of the hole." Memorandum and Recommendation filed under seal, p. 12.
>
> • ***Federal Circuit's Interpretation***
> "Positive engagement" means "preventing axial movement by interacting with a grove or discontinuity in the wall of the hole via a lip or lip-like structure." App. A, p. 16a.

Once apprised of the magistrate judge's interpretation of the term "positively engaging" in her recommendation to the district court, Petitioners submitted additional affidavit testimony from persons skilled in the art necessary to create a genuine issue of material fact should the district court ultimately adopt the magistrate's claim construction — which it did.[3] The Federal Circuit then went beyond the mere "prevention of up and down movement and lock-up with the wall of the hole" to require "interacting with a groove or discontinuity in the wall of the hole via a lip or lip-like structure." App. A, p. 16a. Without such a narrowing construction, the summary judgment could not have been affirmed in view of the affidavit testimony of record.

Here is the rub: Petitioners were never provided an opportunity to present evidence as to infringement in view of the Federal Circuit's modified claim construction — a construction which was far from merely a slight or foreseeable variance from those urged by the litigants, since the affidavit testimony that created the fact issue under the first construction no longer did so under the second. By adopting a different interpretation of the claims, the Federal Circuit effectively required the Petitioners to litigate during summary judgment proceedings not only its opponents' position, but also the unknowable position of the appellate court. Consequently, Respondents won based upon a claim

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3. The district court construed "positively engaging" to require "both prevention of up and down movement and lock-up with the wall of the hole." To create an issue of fact on infringement, Koenig had submitted affidavit testimony to establish that "[t]he Fugro anchorage device prevents movement in the up and down direction" (Koenig 10/24/97 Affidavit) and "Fugro's device literally locks up with the wall of the hole" (Bailey 7/14/97 affidavit). And yet this evidence was ignored by the district court.

interpretation that they could never have raised on appeal because the interpretation was not argued below. The present case is not an anomaly. The Federal Circuit has disposed of other cases in this fashion. *See, e.g.*, *Exxon Chem. Patents v. Lubrizol Corp.*, 64 F.3d 1553, 1560 (Fed. Cir. 1995) (remarking that although the claim interpretation was at a "slight variance from that urged" by the parties, there was no purpose for the jury in the infringement analysis).

The normal protections afforded the nonmovant in summary judgment proceedings are no less important in patent cases. Where the Federal Circuit chooses to adopt its own claim construction, fairness (and the law) dictates that the parties are given an opportunity to present evidence on infringement. Otherwise, the Federal Circuit will continue to assume the role of fact-finder based upon an incomplete record. This cannot and should not be the law.

CONCLUSION

For all of the foregoing reasons, the Petition for Writ of Certiorari should be granted.

Respectfully submitted,

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